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## **PART 307—ECONOMIC ADJUSTMENT ASSISTANCE INVESTMENTS**

### **Subpart A—General**

Sec.

307.1 Purpose.

307.2 Criteria for Economic Adjustment Assistance Investments.

307.3 Use of Economic Adjustment Assistance Investments.

307.4 Award requirements.

307.5 Application requirements.

307.6 Economic Adjustment Assistance post-approval requirements.

### **Subpart B—Special Requirements for Revolving Loan Funds and Use of Grant Funds**

307.7 Revolving Loan Funds established for business lending.

307.8 Definitions.

307.9 Revolving Loan Fund Plan.

307.10 Pre-loan requirements.

307.11 Disbursement of funds to Revolving Loan Funds.

307.12 Revolving Loan Fund Income.

307.13 Records and retention.

307.14 Revolving Loan Fund semi-annual and annual reports.

307.15 Prudent management of Revolving Loan Funds.

307.16 Effective utilization of Revolving Loan Funds.

307.17 Uses of capital.

307.18 Addition of lending areas; merger of RLFs.

307.19 RLF loan portfolio Sales and Securitizations.

307.20 Partial liquidation and liquidation upon termination.

307.21 Termination of Revolving Loan Funds.

307.22 Variances.

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### **Subpart A—General**

#### **§ 307.1 Purpose.**

The purpose of Economic Adjustment Assistance Investments is to address the needs of communities experiencing adverse economic changes that may

occur suddenly or over time, including but not limited to those caused by:

(a) Military base closures or realignments, defense contractor reductions in force, or U.S. Department of Energy defense-related funding reductions;

(b) Federally-Declared Disasters;

(c) International trade;

(d) Long-term economic deterioration;

(e) Loss of a major community employer; or

(f) Loss of manufacturing jobs.

#### **§ 307.2 Criteria for Economic Adjustment Assistance Investments.**

(a) Economic Adjustment Assistance Investments are intended to enhance a distressed community's ability to compete economically by stimulating private investment in targeted economic sectors through use of tools that:

(1) Help develop and implement a CEDS;

(2) Expand the capacity of public officials and economic development organizations to work effectively with businesses;

(3) Assist in overcoming major obstacles identified in the CEDS;

(4) Enable communities to plan and coordinate the use of Federal resources and other resources available to support economic recovery, development of Regional economies, or recovery from natural or other disasters; or

(5) Encourage the development of innovative public and private approaches to economic restructuring and revitalization.

(b) Economic Adjustment Assistance Investments may be made when the Project funded by the Investment will help the Region meet a Special Need. The Region in which a Project is located must have a CEDS with which the Project is consistent (except that this requirement shall not apply to Strategy Grants described in § 307.3).

#### **§ 307.3 Use of Economic Adjustment Assistance Investments.**

Economic Adjustment Assistance Investments may be used to develop a CEDS to alleviate long-term economic deterioration or a sudden and severe economic dislocation (a “Strategy